

## **EXPLANATION OF COMMISSION DETERMINATION ON ADEQUACY**

in

*Ferrovandium and Nitrided Vanadium from Russia*

Inv. No. 731-TA-702 (Second Review)

On August 4, 2006, the Commission determined that it should proceed to an expedited review in the subject five-year review pursuant to section 751(c)(3)(B) of the Tariff Act of 1930, as amended, 19 U.S.C. § 1675(c)(3)(B).<sup>1</sup>

The Commission determined that the domestic interested party group response to the notice of institution was adequate. The Commission received one response to the notice of institution filed jointly by the Vanadium Producers and Reclaimers Association (“VPRA”), and from VPRA members Gulf Chemical & Metallurgical Corporation (“Gulf”), Gulf’s wholly-owned subsidiary Bear Metallurgical Company (“Bear”) and Metallurg Vanadium Corporation (“MVC”). Bear and MVC reported that they accounted for one hundred percent of domestic production of ferrovandium in 2005. Because the Commission received adequate responses from two producers that apparently account for one hundred percent of domestic production of ferrovandium, the Commission determined that the domestic interested party group response was adequate.<sup>2</sup>

The Commission did not receive a response from any respondent interested party, and therefore determined that the respondent interested party group response to the notice of institution was inadequate. In the absence of an adequate respondent interested party group response, and any other circumstances that it deemed warranted proceeding to a full review, the Commission determined to conduct an expedited review. A record of the Commissioners’ votes is available from the Office of the Secretary and the Commission’s web site (<http://www.usitc.gov>).

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<sup>1</sup> Chairman Daniel R. Pearson and Commissioner Deanna Tanner Okun voted to conduct a full review due to changes in the conditions of competition in the U.S. market for ferrovandium.

<sup>2</sup> The Commission defined the domestic like product to be ferrovandium in the first review, as there was no domestic production of nitrided vanadium during the first review, and the Commission found ferrovandium to be the product most similar to nitrided vanadium in characteristics and uses. VPRA has not raised any issues in its response to the Commission’s notice of institution that would warrant revisiting the Commission’s definition, including any indication that nitrided vanadium is currently produced in the United States. VPRA agrees with the Commission’s definition of the domestic like product as ferrovandium, for purposes of this second review.